Mississippi Public Service Commission

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August 3, 2007

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch, Secretary
Office of the Secretary
Federal Communications Commission
c/o Natek, Inc.
236 Massachusetts Avenue, NE
Suite 110
Washington, DC 20002

Re: Iowa Telecom Petition for Forbearance Under U.S.C. 160(c) from the Universal Service High-Cost Loop Support Mechanisms, WC Docket No. 05-337 (filed May 8, 2006); Iowa Telecom Petition for Interim Waiver of the Commission's Universal Service High-Cost Loop Support Mechanisms, WC Docket No. 05-337 (filed May 8, 2006).

Dear Secretary Dortch:

This letter is written to respond to the *ex parte* presentations made by Iowa Telecommunications Services, Inc. ("Iowa Telecom") on July 25, 2007, and July 26, 2007. It is our understanding that each of these presentations concerned the above matters, in which Iowa Telecom sought the Federal Communications Commission ("FCC") approval to make it eligible for high cost universal service support based on its network's forwarding-looking cost. Were the FCC to accede to this Iowa Telecom request, Mississippi would potentially lose almost five million dollars annually in high cost universal service support.

Mississippi is sorely positioned to lose even one dollar of universal service support. Non-rural telecommunications carriers serve approximately eighty-five percent of Mississippi's land area. Since 2000, the FCC's forward-looking cost methodology has yielded funding to these carriers thereby ensuring rural telephone customers' rates in our state are comparable to those in more urban areas. Also, rural telephone customers have benefited from state-of-the-art features and service packages. Such service offerings have helped Mississippians participate in new and expanded economic development opportunities while enjoying a better quality of life.

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Finally, it is our hope that Iowa Telecom's eleventh hour attempt to confuse the issues surrounding this matter is not interpreted as relevant. In 2000, Iowa Telecom invested in telephone exchanges that were incapable of attracting support under existing universal service mechanisms for rural incumbent local exchange carriers. The mere fact that Iowa is a rural state with numerous rural wire centers is insufficient to explain Iowa Telecom's misapplication of the FCC's universal service support policies.

Sincerely

Nielsen Cochran, Chairman

Leonard Bentz, Vice Chairman

Bo Robinson, Commissioner

VBH/mg

Cc: Chairman Kevin J. Martin

Commissioner Michael J. Copps Commissioner Jonathan S. Adelstein Commissioner Deborah Taylor Tate Commissioner Robert McDowell Jeremy D. Marcus (via e-mail) Jennifer McKee (via e-mail)